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SUBJECT: UNODC CHIEF COSTA BRIEFS THE NAC ON AFGHANISTAN

POPPY

Classified By: CHARGE D'AFFAIRES RICHARD G. OLSON FOR REASONS 1.4(B) AND (D).

11. (C) SUMMARY. Antonio Costa, Head of the UN Office on Drugs and Crime (UNODC), briefed NATO on September 5 on UNODC's 2007 report on Afghanistan poppy production. In addition to NATO PermReps, 24 other interested nations and organizations were on hand as Costa reviewed the key findings and recommendations from the UNODC report. Afghan poppy production was 17% greater than last year, accounting for 93% of the world's opium. While Afghanistan's southern provinces saw large increases in cultivation, thirteen other provinces were poppy-free. U.S. Ambassador Nuland stated the U.S. welcomes ISAF supporting Government of Afghanistan (GoA)-led counternarcotics efforts, within means and capabilities and commented on successes from U.S. efforts in RC-East in marrying counterinsurgency and counternarcotics planning. The Russians referred to proposals they made at the SCO Summit, while the Afghan Ambassador appeared intent on deflecting criticism of his government. The North Atlantic Council (NAC) will further discuss ISAF's counternarcotics role in the coming weeks. The meeting was a successful use of the NAC's "26 plus N" forum adopted at last year's Riga Summit. END SUMMARY.

UNODC REPORT - KEY FINDINGS

12. (U) Antonio Maria Costa, Executive Director of the UN Office on Drugs and Crime, briefed NATO on September 5 on UNODC's recently-released report on Afghanistan opium production. Costa reviewed the key findings of the UNODC report, noting that in 2007 Afghanistan had a record 193,000 hectares under poppy cultivation, accounting for 82% of the world's cultivation and (due to its high productivity) 93% of opium production. Beneath the 17% increase in poppy cultivation lies the fact that thirteen provinces are now poppy-free, while several others, mostly in the south, saw huge increases in production. Costa urged vigilance to ensure that provinces free of poppy cultivation do not graduate to higher value-added activities such as opium processing or transportation. He noted that opium prices are still more than double the 1990s prices, despite the huge increase in supply. In a survey of Afghan farmers, the number one reason given (by 38%) NOT to grow poppy was that it is against Islam, which Costa noted, suggests public diplomacy efforts conducted in concert with village and religious leaders may be effective. He also reviewed the role of Afghanistan's neighbors as export routes for opium and import routes for precursor chemicals.

13. (U) Costa offered several recommendations, including:

- rewarding farmers and governors for not growing poppy. Costa praised the Good Performer's Initiative and singled out U.S. support to the GPI while asking other nations to contribute;
- greater and more effective eradication. "2007 eradication was a farce", he said, more is needed to raise the risk to farmers and create a deterrence for next year;
- a local approach to create more poppy-free provinces;
- NATO doing more to take on labs, open drug markets, the precursor chemical trade, and traffickers;
- not turning a blind-eye, i.e., GoA not tolerating corrupt officials nor international forces tolerating traffickers for the intel they provide;
- listing traffickers and seizing their assets under UNSCR 1735;
- addressing areas (e.g., in Helmand) where the Taliban have established permanent control, and improving cross-border cooperation;
- reducing demand for opium. Costa also noted that --of 8,800 metric tons of opium produced worldwide in 2007-- 4,000 tons satisfy demand and nearly 2,000 tons were confiscated, leaving nearly 3,000 tons unaccounted for and presumably stockpiled.

 NATIONAL INTERVENTIONS

14. (C) In addition to NATO PermReps and Afghan Ambassador Tandar, other organizations (World Bank, EU Commission, EU Council) and nations (NATO partners such as Russia and the Central Asian states, ISAF contributors) attended the briefing. After Costa's presentation, interventions included:

- U.S. Ambassador Nuland noted the link between drugs and

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insecurity, saying the U.S. welcomes the call for ISAF to support GoA-led counternarcotics efforts, within means and capabilities. She commented that ten of the thirteen poppy-free provinces are in RC-East, where U.S. counterinsurgency planning incorporates counternarcotics dimensions. For example, the PRTs in RC-East include GoA counternarcotics officials so that missions are planned with a CN perspective. There are also joint intel cells, joint PD efforts, and U.S. support for GoA-led missions. RC-East has also benefited from an emphasis on the Good Performer's Initiative.

- Russia. Ambassador Totskiy noted the situation is deteriorating, saying that Putin offered a plan at the Shanghai Cooperation Organization (SCO) summit in August for a drug-free buffer zone around Afghanistan. Russian focus is on northern border interdiction, imports of pre-cursor chemicals, setting up a Central Asian coordination center, and creating a "financial buffer zone" to address money laundering. In October, a Russian counternarcotics official will take up his duties in Afghanistan. Russia favors a coordinating role for the UN on narcotics. The Russian statement was supported by Kazakhstan, which also mentioned initiatives from the SCO.

- World Bank. Mr. William Byrd opined there may be natural fluctuations behind some of the higher poppy numbers. Byrd countered a point made UNODC's Costa by saying that "dependence on opium by farmers is associated with poverty". He stated the World Bank does not support "blanket eradication", which can be used by corrupt officials to disproportionately hurt the poor and ultimately undermines the credibility of the central government. The Bank supports "national programs" rather than "fragmented projects" and sees a need to develop alternative agricultural exports and to fire corrupt GoA officials.

- Afghanistan. Speaking extemporaneously, Amb. Tandar noted, inter alia, that the GoA was getting "blamed" but there was little discussion of successes in Afghanistan; nor was there

discussion of the money laundering of drug proceeds in European countries. Countering UNODC Costa's comment that the 2007 eradication campaign was "a farce", Amb. Tandar noted that 500 Afghan police were killed and poverty increased in eradicated areas. Regarding UNSCR 1735, he challenged the group to put forward the names of drug traffickers in order to get them on the list. Regarding efforts to sideline Afghan warlords, Tandar noted that the governor of Balkh province (a former warlord) has successfully eradicated poppy and can serve as a model for others.

- France. Ambassador Duque supported Amb. Nuland saying ISAF should support the Afghan security forces within the ISAF OPLAN, noting "we can assist but not replace Afghan authorities."

- Netherlands. Ambassador Schaper supported an "integrated approach" and opposed "indiscriminate eradication" that would unfairly impact poor farmers.

- UK. Deputy PermRep Kidd supported U.S. comments on ISAF doing all it can within its mandate. He noted the importance of Allies filling the demand for trainers embedded in Afghan National Army units and PD efforts. In Helmand, for example, Afghan forces supported by ISAF embedded trainers (an Operational Mentoring and Liaison Team) seized 800 kg of opium.

15. (C) COMMENT. Costa's briefing and unvarnished recommendations were well received at NATO. The session (in "NAC 26 plus N" format) was a milestone for fulfilling the goals of last year's Riga Summit to strengthen NATO's global partnerships. In addition to the 26 NATO Allies, 24 other nations and organizations were represented around the table. At the regular NAC meeting immediately afterwards, Allies agreed to further discussion in the coming weeks on how ISAF can strengthen its counternarcotics role within the current ISAF OPLAN -- this discussion will be sometime after the Sept. 12 NAC, at which SACEUR and COMISAF will brief. END COMMENT.
OLSON